

BOB F. ANDERSON, PE, INC.
PETROLEUM ENGINEERS & CONSULTANTS
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May 31, 2005

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: **APPLICATION FOR PUBLIC HEARING**
Proposed Additional Alternate Unit Well
Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A and
Lower Cotton Valley Zone, Reservoir A,
HOSS RA SU84, CV RA SU93 & LCV RA SU76
Elm Grove Field, Caddo Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **CAMTERRA RESOURCES, INC.**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, Elm Grove Field, Caddo Parish, Louisiana:

1. To permit the applicant, Camterra Resources, Inc., to drill their proposed John Place 24 No. 3 Well as an additional alternate unit well, in exception to the well spacing provisions of the 361-A, 361-B and the 361-E Series of Office of Conservation Orders, for the production of gas and condensate for the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A and the Lower Cotton Valley Zone, reservoir A, in the, Elm Grove Field, Caddo Parish, Louisiana, such unit and well shown on the attached plats and being made a part hereof.
2. To find that an additional alternate unit well is needed on the units designated HOSS RA SU84, CV RA SU93 and the LCV RA SU76, to assist in draining a portion of the Hosston Zone Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, in each unit that cannot be efficiently and effectively drained by any other well located therein.
3. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit wells, or from a combination of all wells in each of the units at its discretion.
4. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

Hon. James H. Welsh
Elm Grove Field
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The Hosston Zone, Reservoir A, was defined in the 361-A Series of Office of Conservation Orders, the Cotton Valley Formation, Reservoir A, was defined in the 361-B Series of Office of Conservation Orders and the Lower Cotton Valley Zone, Reservoir A, was defined in the 361-E Series of Office of Conservation Orders in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

The subject matter of this hearing does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

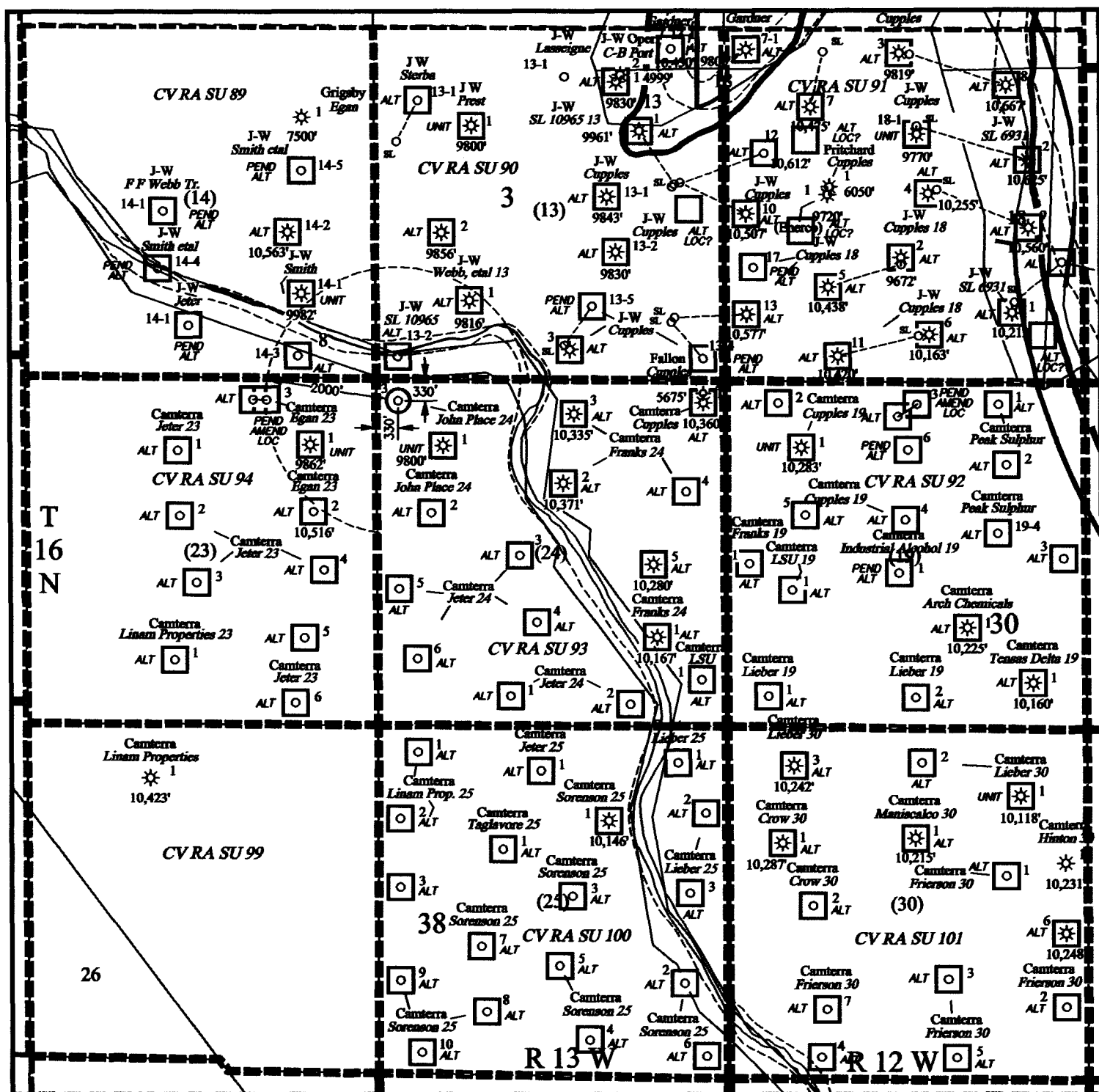
Yours truly,

A handwritten signature in black ink, appearing to read 'B F Anderson', with a long horizontal flourish extending to the right.

B. F. Anderson, PE for
CAMTERRA RESOURCES, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)
Interested Owners, Represented Parties and Interested Parties (wo/encl.)
Camterra Resources, Inc. (w/encl.)

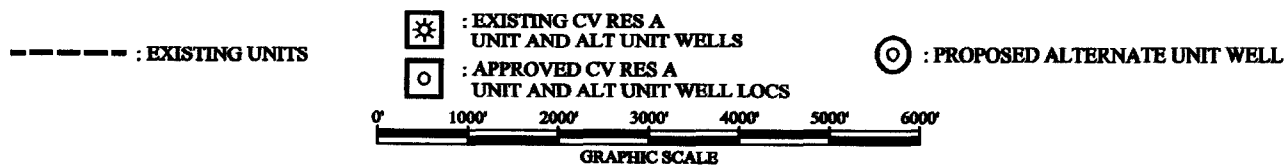
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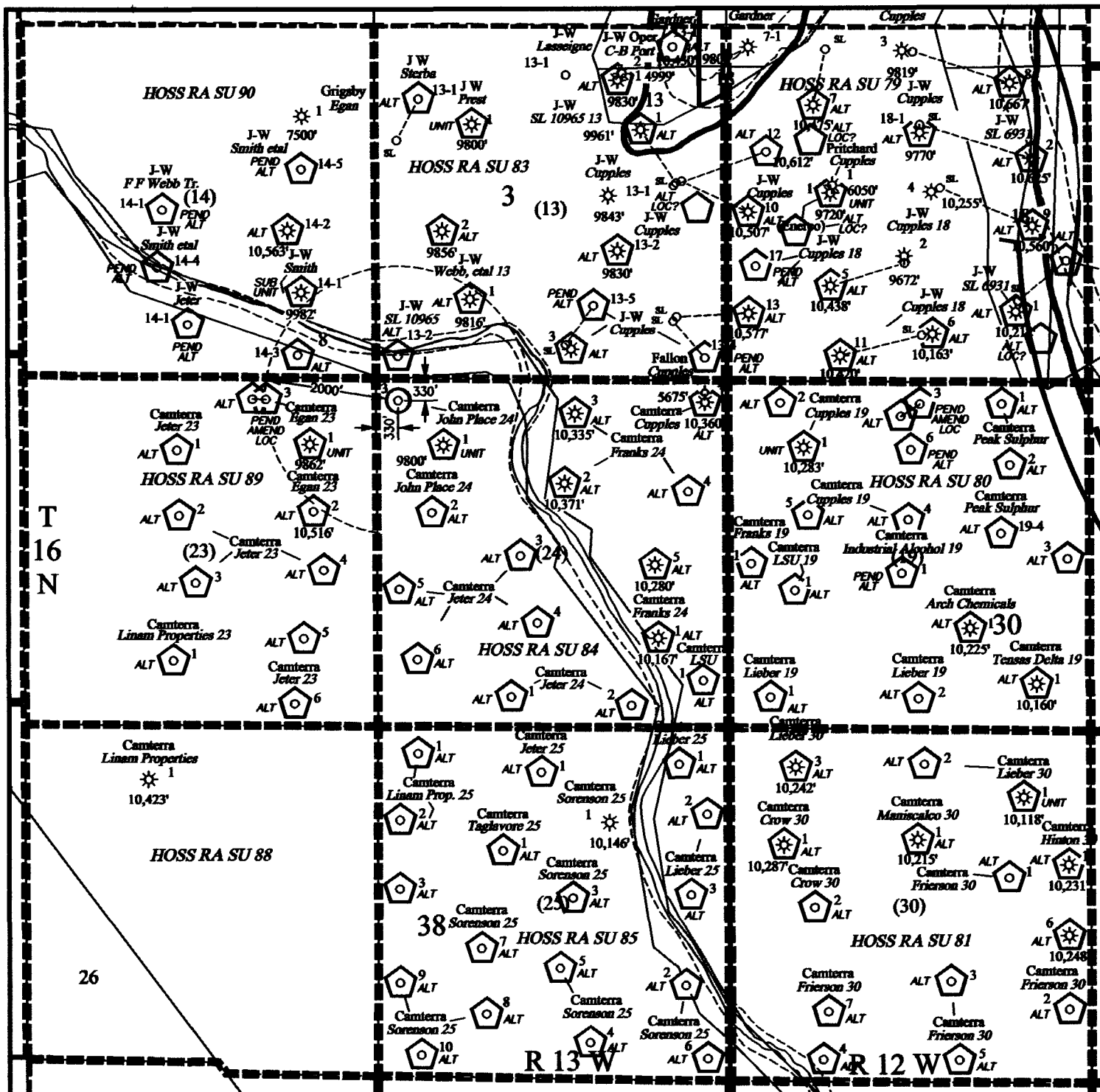


CAMTERRA RESOURCES, INC.
MARSHALL, TEXAS

ELM GROVE FIELD
CADDO PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL
AT EXCEPTIONAL LOCATION FOR
COTTON VALLEY RESERVOIR A SAND UNIT 93

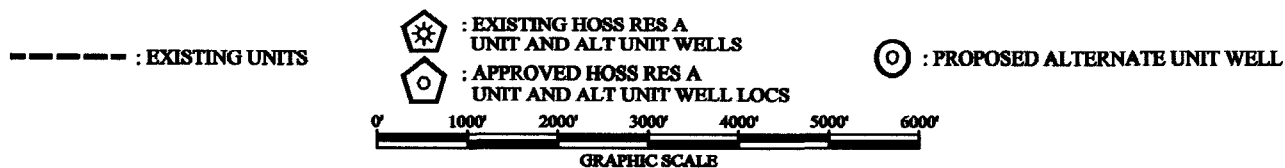


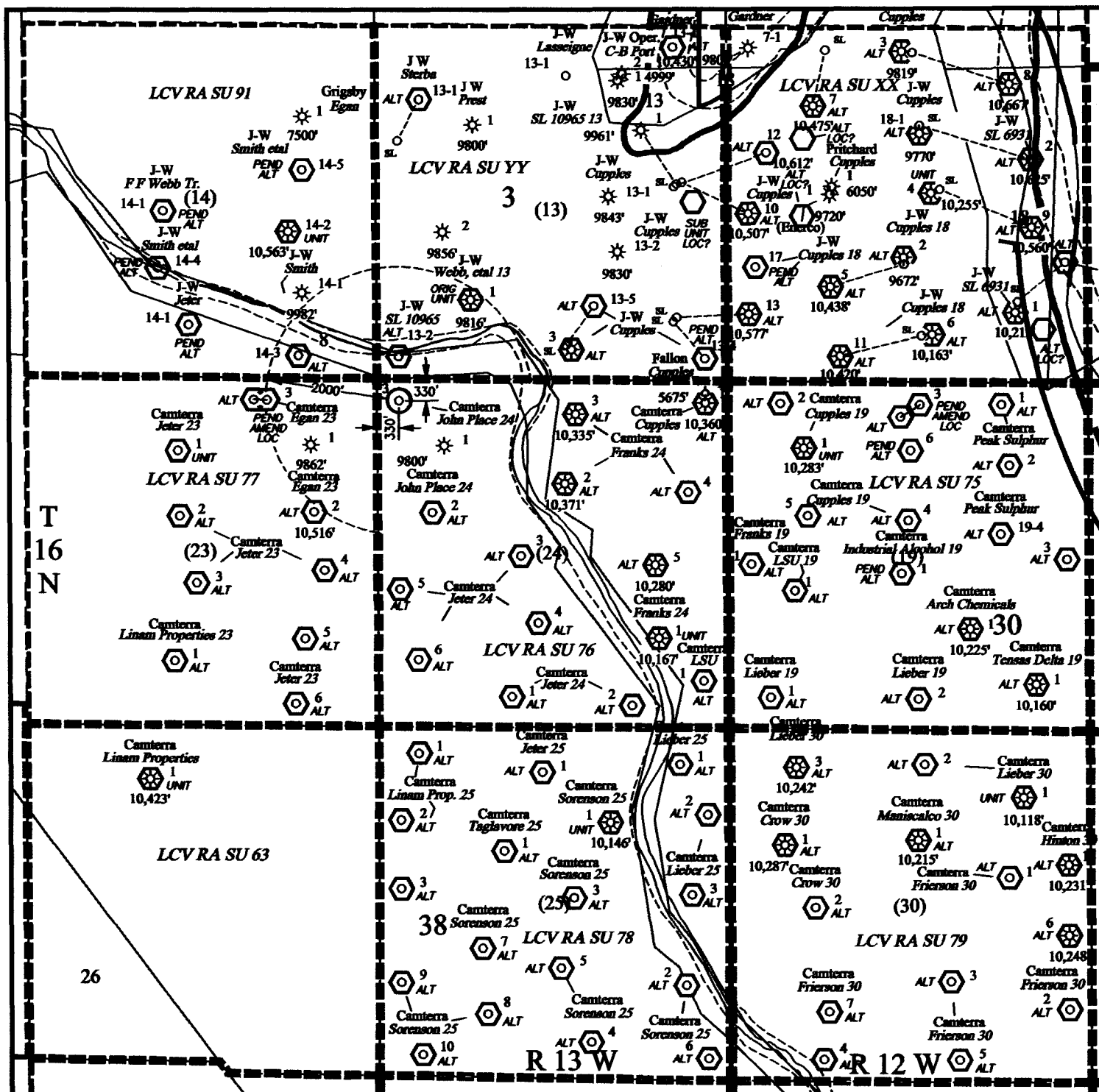


CAMTERRA RESOURCES, INC. MARSHALL, TEXAS

ELM GROVE FIELD CADDO PARISH, LOUISIANA

**PROPOSED ALTERNATE UNIT WELL
AT EXCEPTIONAL LOCATION FOR
HOSSTON RESERVOIR A SAND UNIT 84**





CAMTERRA RESOURCES, INC. MARSHALL, TEXAS

ELM GROVE FIELD CADDO PARISH, LOUISIANA

**PROPOSED ALTERNATE UNIT WELL
AT EXCEPTIONAL LOCATION FOR
LOWER COTTON VALLEY RESERVOIR A SAND UNIT 76**

